

EXHIBIT 5



GENERAL COUNSEL

DEPARTMENT OF THE TREASURY
WASHINGTON

November 29, 2001

M. Claude Nicati
Substitut du Procureur General
Taubenstrasse 16
3003 Berne
SWITZERLAND

Re: Yassin A. Kadi

Dear Mr. Nicati:

This letter is provided to you pursuant to your request under the mutual legal assistance treaty between the United States and Switzerland in connection with the action taken by the Government of Switzerland to block assets of Yassin A. Kadi (aka Qadi or Qadhi). Although some of the information concerning Mr. Kadi comes from sensitive sources that we cannot disclose, we have agreed to provide you with an unclassified summary of certain information concerning Mr. Kadi. We believe that this information is generally reliable and, taken as a whole, supports the decision to block Mr. Kadi's assets. This summary may be disclosed publicly in legal proceedings.

Based upon information available to the United States Government, we have a reasonable basis to believe that Mr. Kadi has a long history of financing and facilitating the activities of terrorists and terrorist-related organizations, often acting through seemingly legitimate charitable enterprises and businesses.

In 1991, Mr. Kadi wired \$820,000 to a business in the United States. This money was laundered through a complex land transaction in Illinois, apparently to hide any connection to Mr. Kadi and the eventual transfer of the funds to the Quranic Literacy Institute (QLI). Some of the proceeds of this transaction were used by QLI to finance the activities of Mohammed Salah (alias Abu Ahmed),¹ an admitted head of the military wing of the terrorist organization HAMAS.² Subsequently, Mr. Kadi wired \$27,000 *directly* to Mr. Salah's account in March

¹ Mr. Salah is a "Specially Designated Terrorist" (STD) under United States Executive Order No. 12947, 60 Fed. Reg. 5079 (1995) (E.O. 12947). See Notice of Blocking, 60 Fed. Reg. 41152 (1995).

² HAMAS has been designated a "Foreign Terrorist Organization" pursuant to the Anti-Terrorism and Effective Death Penalty Act of 1996, Pub. L. 104-132, 110 Stat. 1214 (1996) and an SDT under E.O. 12947, see 31 C.F.R. Ch. V, App. A, and a "Specially Designated Global Terrorist" (SDGT) under United States Executive Order No. 13224, 66 Fed. Reg. 49079 (2001) (E.O. 13224).

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1992. This wire, from Faisal Finance account number IFA 10004, came directly from an account that is the subject of the Swiss sequestration order covering Mr. Kadi's accounts. There were additional wires from Faisal Finance to Mr. Salah's account, but our information on those transfers is still incomplete. Similarly, we are still investigating other Faisal Finance transfers, one for \$200,000 and another for \$665,000, all or a substantial portion of which were sent to Mr. Salah through an account controlled by another HAMAS operative, Abu Marzook.³

At the direction of Abu Marzook, Mr. Salah distributed tens of thousands of dollars, and perhaps more, to HAMAS cells in and around Israel. Mr. Salah was arrested in Israel in 1993 carrying nearly \$100,000 in cash and extensive notes of his meetings with HAMAS operatives during the days preceding his arrest. Analysis of the monetary transfers involved in the Illinois land transaction, and of wires into Mr. Salah's accounts prior to leaving for Israel, show a close connection between the funds involved in the transactions and those distributed by Mr. Salah to terrorist cells.⁴

In recent press interviews, Mr. Kadi has denied any wrongdoing in connection with these money transfers. He says that the loan on the Illinois property was intended to help the QLI "open a peaceful dialogue between nations," but he has neither explained the convoluted nature of the transaction nor made any claim for repayment of the "loan." He claims not to recall ever having met Mr. Salah, although Mr. Salah's lawyer states that Mr. Salah did meet with Mr. Kadi, that Mr. Kadi befriended him, and that he gave the \$27,000 to Mr. Salah to open a bank account in Chicago.

Mr. Kadi has acknowledged in a number of press accounts that he is the founder of the Muwafaq, or "Blessed Relief," Foundation. He is identified in legal records as "Chairman" of the foundation. The leader of the terrorist organization Al-Gama'at Al-Islamiya,⁵ Talad Fuad Kassem, has said that the Muwafaq Foundation provided logistical and financial support for a mujahadin battalion in Bosnia. The foundation also operated in Sudan, Somalia and Pakistan, among other places.

A number of individuals employed by or otherwise associated with the Muwafaq Foundation have connections to various terrorist organizations. Muhammad Ali Harrath, main activist of the Tunisian Islamic Front (TIF) in the United Kingdom, was associated with Muwafaq personnel in Bosnia and other TIF members worked at the Muwafaq Foundation. Syrian citizen Mahmoud Mehdi, once a director of the Muwafaq Foundation in Pakistan, was a member of Al-Qa'ida and the Al-Faran terrorist group⁶ responsible for the kidnapping of

³ Mr. Marzook has been designated a SDT under E.O. 12947. See 31 C.F.R. Ch. V, App. A.

⁴ A detailed account of Mr. Salah's activities, which included the recruitment and funding of HAMAS terrorists, can be found in the affidavit of FBI Special Agent Robert Wright (previously provided to you) and in *In re Extradition of Marzook*, 924 F. Supp. 565, 587-92 (S.D.N.Y. 1996).

⁵ Al-Gama'at Al-Islamiya has been designated a "Foreign Terrorist Organization" pursuant to the Anti-Terrorism and Effective Death Penalty Act of 1996. See 31 C.F.R. Ch. V, App. A.

⁶ Al-Faran is a "Specially Designated Global Terrorist Entity" under E.O. 13224.

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Westerners in Kashmir. He was also close to Ramzi Yusif who has been convicted in the United States for his role in the first World Trade Center attack. Following the arrest of Ramzi Yusif in 1995, the Pakistani police reportedly raided Muwafaq's offices and held its local director in custody for several months. The Muwafaq Foundation also provided support to HAMAS and the Abu Sayyaf Organization⁷ in the Philippines.

The Muwafaq Foundation also employed or served as cover for Islamic extremists connected with the military activities of Makhtab Al-Khidamat (MK),⁸ which has been partially financed by the Muwafaq Foundation. The Muwafaq Foundation supplied identity cards and employment as cover for some Arabs to allow them to obtain visas to remain in Pakistan. The founder of MK was Abdallah Azzam, who was Usama bin Laden's mentor. Following the dissolution of MK in early June 2001 and its absorption into Al-Qa'ida, a number of NGOs formerly associated with MK, including Muwafaq, also merged with Al-Qa'ida.

Mr. Kadi has asserted in various press interviews that the Muwafaq Foundation ceased operations at a range of different times in 1995, 1996 or 1997. However, the United Nations reported that Muwafaq was active in Sudan as late as 1997. Moreover, far from ceasing operations, the U.N. report stated that the "Muwafaq Foundation plans to *continue to expand* its humanitarian activities in the coming year" U.N. Department of Humanitarian Affairs, *Consolidated Inter-Agency Appeal for Sudan January-December 1997* (Feb. 18, 1997)(emphasis added).

From 1993, the head of the European offices of the Muwafaq Foundation was Ayadi Chafiq Bin Muhammad, who has been identified as Mr. Kadi's closest associate.⁹ Ayadi Chafiq fought in Afghanistan in the 1980s and is known to be associated with the Tunisian Islamic Front (TIF) in Algeria and Nabil Ben Mohammad Salah Maklout, its leader. Mr. Chafiq was expelled from Tunisia because of his membership in the TIF. As of February 1999, Mr. Chafiq was running Mr. Kadi's European network and serving as the president of Depositna Banka in Sarajevo, Bosnia, which was owned by Mr. Kadi. Mr. Chafiq may have participated in planning an attack on a U.S. facility in Saudi Arabia. Mr. Chafiq left his residence in London in a hurry after the September 11 attacks, and had reportedly been in the United States in the months preceding the attack.

The pattern of activity displayed by Mr. Kadi, and his foundation and businesses, is typical of the financial support network of Al Qa'ida and other terrorist organizations. Working in troubled areas such as Bosnia, Somalia, Sudan, and various refugee camps, the putative "relief" organizations provide cover for individuals engaged in recruiting, organizing, and

⁷ The Abu Sayyaf Organization is a "Specially Designated Global Terrorist Entity" under E.O. 13224.

⁸ MK is a "Specially Designated Global Terrorist Entity" under E.O. 13224.

⁹ Ayadi Chafiq is a "Specially Designated Global Terrorist Individual" under E.O. 13224. See Amendment of Final Rule, 66 Fed. Reg. 54404 (2001). He also is listed as one of the signatories on Swiss accounts at Faisal Financial with Kadi.

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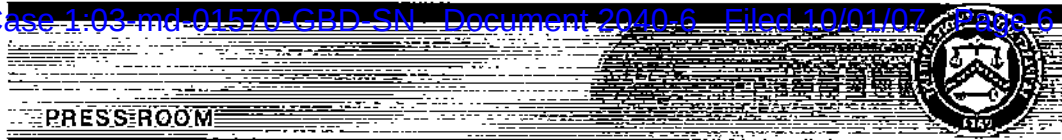
training terrorist cells. Their provision of humanitarian aid and educational services is done in concert with the terrorists to win the hearts and minds of the local people to whatever causes the terrorists espouse. When a region becomes more settled, such as Bosnia or Albania today, seemingly legitimate businesses replace charitable foundations as cover for continuing terrorist organizational activity. Mr. Kadi's actions and those of his Muwafaq Foundation and businesses fit this pattern and give rise to a reasonable basis to believe that they have facilitated terrorist activities.

As noted previously, this is a summary of information concerning Mr. Kadi that we can release at this time. If we are able to release additional information in the future we will let you know.

Sincerely,

A handwritten signature in black ink, appearing to read 'D. Aufhauser', with a long horizontal line extending to the right.

David D. Aufhauser
General Counsel



August 3, 2006
hp-45

Treasury Designates Director, Branches of Charity Bankrolling Al Qaida Network

The U.S. Department of the Treasury today designated the Philippine and Indonesian branch offices of the Saudi-based International Islamic Relief Organization (IIRO) for facilitating fundraising for al Qaida and affiliated terrorist groups. Treasury additionally designated Abd Al Hamid Sulaiman Al-Mujil, the Executive Director of the Eastern Province Branch of IIRO in the Kingdom of Saudi Arabia.

"Abd Al Hamid Sulaiman Al-Mujil, a high-ranking IIRO official in Saudi Arabia, has used his position to bankroll the al Qaida network in Southeast Asia. Al-Mujil has a long record of supporting Islamic militant groups, and he has maintained a cell of regular financial donors in the Middle East who support extremist causes," said Stuart Levey, Treasury's Under Secretary for Terrorism and Financial Intelligence (TFI). "Today we are holding him to account."

The IIRO was established in 1978 and, according to its website, the organization has branch offices in over 20 countries in Africa, Europe, Asia, and the Middle East.

"It is particularly shameful when groups that hold themselves out as charitable or religious organizations defraud their donors and divert funds in support of violent terrorist groups," said Levey. "We have long been concerned about these IIRO offices; we are now taking public action to sever this link in the al Qaida network's funding chain."

Today's action was taken pursuant to Executive Order 13224, which is aimed at detecting and disrupting financial flows to terrorists. Under this authority, U.S. persons are prohibited from engaging in transactions with the designees, and any assets they may have under U.S. jurisdiction are frozen.

IDENTIFIER INFORMATION

Abd Al Hamid Sulaiman Al-Mujil

Abd Al Hamid Sulaiman Al-Mujil (Al-Mujil) is the Executive Director of the IIRO Eastern Province (IIRO-EP) branch office in the Kingdom of Saudi Arabia. Al-Mujil has been called the "million dollar man" for supporting Islamic militant groups.

Al-Mujil provided donor funds directly to al Qaida and is identified as a major fundraiser for the Abu Sayyaf Group (ASG) and Jemaah Islamiyah (JI). Both ASG and JI are al Qaida-associated terrorist groups in Southeast Asia designated pursuant to the authorities of E.O. 13224. These terrorist groups are also on the United Nations 1267 Committee's consolidated list of individuals and entities associated with the Taliban, al Qaida and/or Usama Bin Ladin.

In 2004, Al-Mujil invited a Philippines-based JI supporter to Saudi Arabia under the cover of traveling for the hajj (the Muslim pilgrimage), and planned to provide him with cash to carry back to the Philippines to support organizations including JI.

Al-Mujil was also present in Afghanistan in the late 1990s and personally knew Usama Bin Ladin and deceased al Qaida co-founder Abdallah Azzam. Al-Mujil traveled continuously to meet with members of Bin Ladin's organization in Arab countries. In the 1990s, Al-Mujil established a relationship with senior al Qaida operational planner Khalid Shaykh Muhammad.

Al-Mujil has a long history of providing support to terrorist organizations. He has contributed direct financial assistance to ASG leaders, including Abdurajak Janjalani (deceased).

The Indonesia and Philippines branches of IIRO have received funding from IIRO-EP, which in turn is controlled by Al-Mujil. Indeed, he is often responsible for authorizing payment transfers for IIRO Philippines (IIRO-PHL) and IIRO Indonesia (IIRO-IDN).

Name: Abd al-Hamid Sulaiman Al-Mujil

AKAs:

- Dr. Abd al-Hamid Al-Mujal
- Dr. Abd Abdul-Hamid bin Sulaiman Al-Mu'jil
- Dr. Abd Al-Hamid Al-Mu'ajjal
- Abd al-Hamid Mu'jil
- A.S. Mujel
- Abu Abdallah

DOB: 28 April 1949

Nationality: Saudi Arabian

International Islamic Relief Organization, Philippines Branch Offices

The IIRO-PHL is a source of funding for the al Qaida-affiliated ASG. IIRO-PHL has served as a liaison for the ASG with other Islamic extremist groups. A former ASG member in the Philippines familiar with IIRO operations in the country reported that a limited amount of foreign IIRO funding goes to legitimate projects and the rest is directed to terrorist operations.

The Philippine branches of the IIRO were founded sometime in the late 1980s or early 1990s by Muhammad Jamal Khalifah, who is Usama bin Laden's brother-in-law and has been identified as a senior al Qaida member. IIRO-PHL's director, Abd al-Hadi Daguit, is a trusted associate of Khalifah.

While working as the director of IIRO-PHL, Khalifah maintained close connections with al Qaida through his relations with senior al Qaida supporters, including Specially Designated Global Terrorist (SDGT) Wa'el Hamza Julaidan. At the time Khalifah directed the IIRO-PHL, he employed an ASG intelligence officer as the provincial director of the IIRO-PHL in the Tawi-Tawi region of the Southern Philippines until that officer's death in 1994.

In the mid 1990s, a major ASG supporter, Mahmud Abd Al-Jalil Afif, served as the director of the IIRO-PHL and used the organization to funnel money to terrorist groups including the ASG. Afif was implicated in the assassination of Father Salvatore Carzeda in San Jose Gusu, Zamboanga City, Philippines on June 20, 1992.

AKAs:

- International Islamic Relief Agency
- International Relief Organization
- Islamic Relief Organization
- Islamic World Relief
- International Islamic Aid Organization
- Islamic Salvation Committee
- IIRO
- The Human Relief Committee of the Muslim World League
- World Islamic Relief Organization
- Al Igatha Al-Islamiya
- Hayat al-Aghatha al-Islamia al-Alamiya
- Hayat al-Igatha
- Hayat Al-Igatha
- Ighatha
- Igatha
- Igassa
- Igasa
- Igase
- Egassa

Address: International Islamic Relief Organization, Philippines Offices
201 Heart Tower Building
108 Valero Street

Salcedo Village, Makati City,
Manila, Philippines

Other Locations: Zamboanga City, Philippines
Tawi Tawi, Philippines
Marawi City, Philippines
Basilan, Philippines
Cotabato City, Philippines

International Islamic Relief Organization, Indonesia Branch Office

The IIRO Indonesia director has channeled money to two Indonesia-based, JI-affiliated foundations. Information from 2006 shows that IIRO-IDN supports JI by providing assistance with recruitment, transportation, logistics, and safe-havens. As of late 2002, IIRO-IDN allegedly financed the establishment of training facilities for use by al Qaida associates.

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- Ighatha
- Igatha
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- Igasa
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